



CITY OF HOUSTON

Sylvester Turner

Mayor

P.O. Box 1562
Houston, Texas 77251-1562

Telephone – 832-393-1011
www.houstontx.gov

April 17, 2019

Mr. Patrick "Marty" Lancton
President
Houston Professional Fire Fighters Association, IAFF Local 341
1907 Freeman Street
Houston, Texas 77009

Re: Prop B Proposal

Dear Marty:

As a follow up to our meeting on Monday, April 15, 2019, please see attached additional information requested regarding a comparison of incentive pay for Police and Fire. For your reference, I have also attached financial calculations of prop B phase in over 3.5 years. This information was provided to you at our meeting on Monday.

I have repeatedly stated that we could avoid layoffs of Municipal workers and firefighters if Prop B was phased in over five years. Anything less than 5 years would require some layoffs without an identified funding source. With that said, you have proposed a 3.5 year payout.

Phasing in Prop B over 3.5 years would require 47 layoffs of firefighter cadets. This information was also shared with you at our meeting on Monday, April 15, 2019.

Sincerely,

A handwritten signature in black ink, appearing to read "Sylvester Turner", is written over a printed name and title.

Sylvester Turner
Mayor

City of Houston
Prop B Phase in over 3.5 Years
Based on Payroll Data as of December 2018

Base Salary	Jan - June FY2019	FY2020	FY2021	FY2022	FY2023	Total
18+ years - 4%	2,484,701	17,469,362	-	-	-	19,954,063
Less than 18 years - 4%	3,614,652	3,642,457	21,771,329	-	-	29,028,439
18+ years - 3%	-	-	-	2,816,637	-	2,816,637
Less than 18 - 3%	-	-	-	4,168,931	-	4,168,931
Total Base Salary	6,099,354	21,111,819	21,771,329	6,985,568	-	55,968,071
Incentive	1,134,092	3,197,358	2,129,134	2,129,134	-	8,589,719
Overtime	209,690	1,038,699	430,070	679,824	-	2,358,283
Pension	2,349,901	7,910,358	7,811,937	2,934,114	-	21,006,310
FICA	106,325	362,743	349,592	138,820	-	957,479
Total Cost	9,899,362	33,620,977	32,492,063	12,867,461	-	88,879,862
Total Cumulative Cost	9,899,362	43,520,339	76,012,402	88,879,862	88,879,862	307,191,828

Base Pay Allocation

18+ years (4% Allocation)	25%	75%	-	-	-	100%
Less than 18 years - (4% Allocation)	25%	-	75%	-	-	100%
18+ years (3% Allocation)	-	-	-	100%	-	100%
Less than 18 years - (3% Allocation)	-	-	-	100%	-	100%

Incentive Pay Allocation

Allocation By Year	25%	25%	25%	25%	-	100%
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Base Pay Percent Equivalent

Year to Year	6.5%	7.4%	10.1%	2.9%	0.0%
FY to Base (Current FY19)	6.5%	14.4%	25.9%	29.6%	29.6%

3.5 Year Base Salary Detail
 Firefighters with 18+ years of Service
 Prepared on 04/15/2019

Classification	Count	Base Pay			25% of HPD 4% Increase - FY2019				100% of HPD 4% Increase - FY2020			100% of HPD 3% Increase - FY2022			Variance against HPD Rate	
		Current HFD Rates	HPD ⁽¹⁾ 4% Increase	HPD ⁽²⁾ 3% Increase	25% of Parity	Revised HFD Rate	FY19 13.0	FY20 13.1	75% of Parity	Revised HFD Rate	FY20 26.1	100% of Parity	Revised HFD Rate	FY22 26.1	FY20	FY22
Firefighter (Base Probationary)																
17th Yr	212	2,354.85	2,724.66	2,806.40	92.45	2,447.30	254,799.09	256,759.08	277.36	2,724.66	1,534,674.52	81.74	2,806.40	452,282.66	0.00	0.00
Engineer (Base 3-4 yrs)																
17th Yr	399	2,429.45	3,037.68	3,128.81	152.06	2,581.51	788,722.25	794,789.35	456.17	3,037.68	4,750,534.80	91.13	3,128.81	949,022.87	0.00	0.00
Captain (Base 5-9 yrs)																
17th Yr	357	2,699.28	3,501.82	3,606.87	200.64	2,899.92	931,147.04	938,309.70	601.91	3,501.82	5,608,370.22	105.05	3,606.87	978,867.25	0.00	0.00
Sr Captain (Base 7-9 yrs)																
17th Yr	98	3,013.65	3,924.69	4,042.43	227.76	3,241.41	290,166.24	292,398.29	683.28	3,924.69	1,747,693.58	117.74	4,042.43	301,157.16	0.00	0.00
District Chief (9th yr)																
17th Yr	35	3,445.77	4,632.86	4,771.85	296.77	3,742.54	135,031.49	136,070.19	890.32	4,632.86	813,305.04	138.99	4,771.85	126,963.53	0.00	0.00
Deputy Chief (11th yr)																
17th Yr	2	3,826.15	5,327.79	5,487.62	375.41	4,201.56	9,760.65	9,835.74	1,126.23	5,327.79	58,789.17	159.83	5,487.62	8,343.32	0.00	0.00
Pending Approval																
Asst Chief (Base 1-2 yrs)																
3rd Yr	5	4,455.22	6,680.77	6,680.77	556.39	5,011.61	36,165.13	36,443.32	1,669.16	6,680.77	217,825.36	0.00	6,680.77	0.00	0.00	0.00
6th Yr	1	4,565.91	6,680.77	6,680.77	528.72	5,094.62	6,873.30	6,926.17	1,586.15	6,680.77	41,398.42	0.00	6,680.77	0.00	0.00	0.00
	1	4,679.16	6,680.77	6,680.77	500.40	5,179.56	6,505.24	6,555.28	1,501.21	6,680.77	39,181.55	0.00	6,680.77	0.00	0.00	0.00
Pending Approval																
Exec. Ass. (Base 1-2 yrs)																
3rd Yr	1	4,900.74	7,642.00	7,642.00	685.31	5,586.06	8,909.08	8,977.61	2,055.94	7,642.00	53,660.09	0.00	7,642.00	0.00	0.00	0.00
6th Yr	1	5,022.50	7,642.00	7,642.00	654.87	5,677.38	8,513.36	8,578.85	1,964.62	7,642.00	51,276.65	0.00	7,642.00	0.00	0.00	0.00
	1	5,147.07	7,642.00	7,642.00	623.73	5,770.81	8,108.51	8,170.88	1,871.19	7,642.00	48,838.16	0.00	7,642.00	0.00	0.00	0.00

Count 1,113

Base Salary	2,484,701.38	2,503,814.47	14,965,547.55	2,816,636.79
Pension (32.99%)	819,702.99	826,008.39	4,937,134.14	929,208.48
FICA (1.45%)	36,028.17	36,305.31	217,000.44	40,841.23
Total	3,340,432.54	3,366,128.17	20,119,682.13	3,786,686.50

Note:

(1) Effective July 1, 2019 (FY2020)

(2) Effective July 1, 2020 (FY2021)

(3) Police Assistant Chief and Executive Assistant Chief are not part of Houston Police Officers Union (HPOU).

3.5 Year Base Salary Detail
Firefighters with less than 18 years of Service
Prepared on 04/15/2019

Classification	Count	Base Pay			25% of HPD 4% Increase - FY2019				100% of HPD 4% Increase - FY2021			100% of HPD 3% Increase - FY2022			Variance against HPD Rate	
		Current HFD Rates	HPD ⁽¹⁾ 4% Increase	HPD ⁽²⁾ 3% Increase	25% of Parity	Revised HFD Rate	FY19 13.0	FY20 13.1	75% of Parity	Revised HFD Rate	FY21 26.1	100% of Parity	Revised HFD Rate	FY22 26.1	FY21	FY22
Firefighter (Base Probationary)	79	1,545.01	1,615.38	1,615.38	17.59	1,562.60	18,067.50	18,206.48	52.78	1,615.38	108,821.93	0.00	1,615.38	0.00	0.00	0.00
1st Yr	116	1,674.16	2,066.20	2,128.19	98.01	1,772.17	147,799.08	148,936.00	294.03	2,066.20	890,205.23	61.99	2,128.19	187,668.81	0.00	0.00
2nd Yr	239	1,761.20	2,278.27	2,346.62	129.27	1,890.47	401,634.12	404,723.62	387.80	2,278.27	2,419,073.21	68.35	2,346.62	426,348.61	0.00	0.00
3rd Yr	452	1,853.45	2,335.20	2,405.26	120.44	1,973.89	707,690.75	713,134.53	361.31	2,335.20	4,262,475.83	70.06	2,405.26	826,464.64	0.00	0.00
5th Yr	226	1,969.00	2,412.82	2,485.20	110.96	2,079.96	325,985.79	328,493.37	332.87	2,412.82	1,963,437.49	72.38	2,485.20	426,967.80	0.00	0.00
8th Yr	163	2,024.78	2,522.45	2,598.12	124.42	2,149.20	263,640.68	265,668.69	373.25	2,522.45	1,587,928.11	75.67	2,598.12	321,937.77	0.00	0.00
11th Yr	81	2,132.19	2,724.66	2,806.40	148.12	2,280.31	155,967.73	157,167.48	444.35	2,724.66	939,405.62	81.74	2,806.40	172,806.11	0.00	0.00
14th Yr	275	2,223.65	2,724.66	2,806.40	125.25	2,348.90	447,777.69	451,222.13	375.76	2,724.66	2,696,999.46	81.74	2,806.40	586,687.41	0.00	0.00
Engineer (Base 3-4 yrs)																
10th Yr	135	2,405.39	2,774.21	2,857.44	92.21	2,497.60	161,819.78	163,064.54	276.62	2,774.21	974,652.95	83.23	2,857.44	293,247.87	0.00	0.00
Captain (Base 5-9 yrs)	12	2,472.04	3,331.58	3,431.53	214.89	2,686.93	33,522.06	33,779.92	644.66	3,331.58	201,905.95	99.95	3,431.53	31,303.53	0.00	0.00
10th Yr	274	2,558.56	3,437.72	3,540.85	219.79	2,778.35	782,891.98	788,914.23	659.37	3,437.72	4,715,418.62	103.13	3,540.85	737,535.32	0.00	0.00
Sr Captain (Base 7-9 yrs)	1	2,759.95	3,709.47	3,820.75	237.38	2,997.33	3,085.94	3,109.68	712.14	3,709.47	18,586.85	111.28	3,820.75	2,904.52	0.00	0.00
10th Yr	47	2,856.54	3,829.21	3,944.09	243.17	3,099.71	148,575.34	149,718.23	729.50	3,829.21	894,880.72	114.88	3,944.09	140,918.76	0.00	0.00
District Chief (9th yr)																
10th Yr	4	3,159.72	4,273.87	4,402.09	278.54	3,438.26	0.00	0.00	835.61	4,273.87	0.00	128.22	4,402.09	0.00	0.00	0.00
17th Yr		3,269.04	4,514.73	4,650.17	311.42	3,580.46	16,193.97	16,318.54	934.27	4,514.73	97,537.53	135.44	4,650.17	14,140.13	0.00	0.00
		3,445.77	4,632.86	4,771.85	296.77	3,742.54	0.00	0.00	890.32	4,632.86	0.00	138.99	4,771.85	0.00	0.00	0.00

Count	2,104	Base Salary	3,614,652.41	3,642,457.42	21,771,329.49	4,168,931.29
		Pension (32.99%)	1,192,473.83	1,201,646.70	7,182,361.60	1,375,330.43
		FICA (1.45%)	52,412.46	52,815.63	315,684.28	60,449.50
Total Count	3,217	Total	4,859,538.69	4,896,919.76	29,269,375.36	5,604,711.23

Note:
(1) Effective July 1, 2019 (FY2020)
(2) Effective July 1, 2020 (FY2021). As per HPD Meet and Confer, rate for probationary officer remains at \$1,615.38 biweekly.

**General Fund
Incentive Pay Comparison**

Incentive Pay	Police FY2019 Budget	Fire FY2019 Budget	Prop B Incremental Adj	Fire Revised Budget
Salary Assignment Pay*	1,693,506	7,184,757	-	7,184,757
Patrol Incentive Pay	2,842,000	-	1,763,000	1,763,000
Investigator Pay	970,000	-	-	-
Education Pay	11,943,765	-	1,399,482	1,399,482
Bilingual Pay	2,340,483	1,262,256	-	1,262,256
Equipment Allowance	10,693,228	-	3,496,000	3,496,000
Shift Differential	4,377,073	-	41,559	41,559
Certification pay	30,526,851	5,465,295	975,048	6,440,343
Weekend Premium	3,760,504	-	31,622	31,622
Clothing Allowance	1,283,200	74,000	-	74,000
Health Trust	3,838,713	-	883,008	883,008
Total Payroll Incentive Pay	74,269,323	13,986,308	8,589,719	22,576,027
Overtime	9,500,679	16,250,000	2,358,283	18,608,283
Temporary Higher Class	200,805	1,300,000	-	1,300,000
Tuition Reimbursement	1,040,000	-	TBD	-
Other Pays & Reimbursements	10,741,484	17,550,000	2,358,283	19,908,283
Total Incentive & Other Pays	85,010,807	31,536,308	10,948,002	42,484,310

*** Salary Assignment Pay - Police and Fire:**

This account includes the budgeted amount for multiple sub categories below. These categories are not budgeted individually since they are assigned as required for specific job related duties

Police:

Mentoring Pay
Field Training Instructor/ Field Training Evaluator Pay
Field Training Officer Program
SWAT Responder Pay
SWAT
Bomb Squad
Canine Pay
Dive Team
Helicopter
Motorcycle Pay

Fire:

Field Training Officer Suppression
Field Training Officer Non Suppression
Paramedic/EMT Preceptor Pay
Paramedic Restricted
Paramedic no restricted
Paramedic Officer Program Pay
Paramedic Non Restricted Admin Pay
Paramedic Non Restrict Adm
EMT Admin Assignment
EMT Suppression
HAZMAT
District Training Officer Pay

Notes:

- After the implementation of Proposition B, Fire's Incentive Pay Budget will grow by 61% from \$14M to \$22.6M
- The budget for Tuition Reimbursement will be determined once department needs are assessed
- Mentoring Pay was eliminated effective December 28, 2018
- The FY2019 Budgeted FTE Count for police is 5,155.4 compared to fire at 4,005, a difference of 1,150 FTEs
- Field Training Officer Pay for Police is now called Field Training Sergeants and Field Training Lieutenants Effective December 29, 2018



HOUSTON PROFESSIONAL FIRE FIGHTERS

ASSOCIATION LOCAL 341

EST. 1932

PATRICK M. LANCTON
PRESIDENT

JIMMY CAMPBELL
FINANCIAL DIRECTOR

BRIAN WILCOX
COMMUNICATIONS
DIRECTOR

VIA EMAIL

April 17, 2019

Hon. Sylvester Turner
City of Houston
P.O. Box 1562
Houston, Texas 77251

Dear Mayor Turner,

We are in receipt of the information provided by your administration. Contrary to your news release today, your response today answered *none* of our pending questions necessary for negotiations to successfully implement Proposition B. Again, please review the attachments to this letter and provide the missing information.

This letter also reconfirms, for the third time, our willingness to take to our membership your proposal to implement Proposition B over three and a half years, subject to the following conditions:

1. Any agreement with the City of Houston, subject to the final approval of the HPFFA membership, would be ratified through a Collective Bargaining Agreement (CBA);
2. Based on provision to us by the City of *complete access* to City financial and budget information, the City will implement complete parity with HPD, including both base pay and incentives, and;
3. The City agrees that no firefighter layoffs or reduction of fire and EMS services would occur before, during or after implementation of Proposition B.

We await your response.

Yours truly,

Patrick M. "Marty" Lancton

cc: HPFFA Board of Directors and Trustees
Houston City Council
Houston Fire Chief Samuel Peña

July 1, 2019

CLASSIFICATION

Base Pay (Bi-weekly)

	Years of Service							
	Probationary	1st Year	2nd Year	3rd - 4th Year	5th Year	6th Year	7th - 9th Year	10th Year & Over
Police Officer								
Firefighter								

	16th Year & Under	17th Year & Over
Senior Police Officer		
Engineer Operator		

	5th - 9th Year	10th - 16th year	17th Year & Over
Sergeant			
Captain			

	7th - 9th Year	10th - 16th year	17th Year & Over
Lieutenant			
Senior Captain			

	7th - 9th Year	10th - 16th year	17th Year & Over
Commander (Captain)			
District Chief			

	11th - 16th year	17th Year & Over
Deputy (Fire)		

	Seniority in rank		
	1-2 years Year	3-6 years year	6 + & Over
Assistant Chief (Police)			
Assistant Chief (Fire)			

	Seniority in rank		
	1-2 years Year	3-6 years year	6 + & Over
Exc Assistant Chief (Police)			
Exc Assistant Chief (Fire)			

Define to following
Police Officer

Firefighter

The following are sections b-l from the Charter Amendment

b. Firefighters employed in fire suppression shall receive the same incentive pay as police officers, of like seniority, employed as patrol officers.

Annually	
Step 1:	
Step 2:	
Step 3:	

Which ranks and seniority grades would receive this incentive pay.

c. Firefighters shall receive the same training pay as police officers of like seniority

	Years of service	Bi-Weekly
Level One		
Level Two		
Level Three		

Which ranks and seniority grades would receive this incentive pay.

d. Firefighters employed as arson investigators shall receive the same investigative incentive pay as police officer investigative personnel of like seniority and investigative experience

Annually	
Step I	
Step II	
Step III	

Which ranks and seniority grades would receive this incentive pay.

What is the criteria for this incentive pay

e. Firefighters who serve as Field Training Officers shall receive the same Field Training Officer training pay as police officers who serve as Field Training Officers.

What is the criteria for this incentive pay

What is the bi-weekly pay for this incentive

f. Firefighters shall receive mentoring pay in the same amount and on the same basis as police officers

What is the criteria for this incentive pay

What is the bi-weekly pay for this incentive

g. Firefighters classified as arson investigators, inspectors, communication captain, senior inspectors, senior investigators, communication senior captain, assistant arson investigator, chief inspector or chief communication officer shall receive the same weekend premium and shift differential pay in the same amount and on the same basis as policers qualified to receive such pay.

What is the criteria for this incentive pay

What is the bi-weekly pay for this incentive

h. Firefighters shall receive educational incentive pay in the same basis as police officers qualified to receive such

Bi-Weekly	
Bachelors	
Master	
Doctrine	

What is the criteria for this incentive pay

i. Firefighters shall receive college tuition reimbursement in the same amount and on the same basis as police officers entitled to receive such reimbursement.

What is the criteria for this incentive pay

Which ranks and seniority grades would receive this incentive pay.

j. Firefighters shall receive the same clothing allowance (or similar benefit) paid to police officers, in addition to any protective clothing and equipment provided by the City.

	Annual
Clothing Allowance	

What is the criteria for this incentive pay

Which ranks and seniority grades would receive this incentive pay.

k. Firefighters shall receive the same equipment allowance (or similar benefit) paid to police officers.

	Annual
Equipment Allowance	

What is the criteria for this incentive pay

Which ranks and seniority grades would receive this incentive pay.

l. The City shall make the same contribution to the Houston Professional Firefighters Association Medical Trust that it does to the Texas Police Trust.

What is the criteria for this benefit

What is the monthly contribution on a per member basis.

*In the event that there have been any recent category changes in the current HPD contract, please include the recent changed data also for each category. We look forward to getting this information and discussing possibilities of moving forwards on some type of mutually agreeable basis.



CITY OF HOUSTON

Finance Department

Interoffice

Memorandum

To: Controller Chris Brown

From: Ronald C. Lewis, City Attorney
Tantri Emo, Chief Business
Officer/Director of Finance

Date: April 17, 2019

cc: Mayor Sylvester Turner
Marvalette Hunter, Chief of Staff

Subject: Proposition B Implementation Cost

Please find below responses to your April 4th memorandum, supplementing the information discussed during a meeting of our departments on April 9, 2019.

Response 1 (for item #1):

The 730 number does not relate to employee reductions. It relates to the number of employees in the Fire department who are in a similar position with regard to current eligibility for pay increases under Prop B.

Response 2 (for items #2 and 3.a-b):

Please see Response 1. The criteria for qualifying for parity with police for incentives and base pay for police officers is determined by the terms of the current meet and confer agreement between the City and the Houston Police Officers' Union and, of course, Prop B. Your staff advised that you have the meet and confer agreement.

The impact of Prop B was estimated in the summer of 2018 based on assumptions made by Finance. Human Resources has now done an analysis that is more specific to individual fire fighters. The timing of the certain events, such as the current meet and confer, also impacts prior assumptions. Finally, the analysis is no longer based on assumptions about the possible legal interpretations of Prop B.

Response 3 (for item #4a and #5):

See Response 2 above. You inquire about incentive pays referenced in paragraphs (d), (e), (f), (i) and (j) of Prop B.

Paragraph (i):

We do not currently have the information necessary from members of HFD who are enrolled in school to be able to determine what amount will be paid in tuition reimbursement.

Paragraphs (e) and (f):

These incentives are affected by the timing of the current HPOU meet and confer which was approved before Prop B was incorporated into the Charter. Prop B language appears to have been based on old meet and confer provisions. Prop B is not retroactive in application. This obviates paragraphs (e) and (f) of Prop B.

Paragraph (j):

Only HPD officers who are required to wear business attire on a regular basis (3 out of 5 days a week) get a clothing allowance. All members of HFD are required to wear their uniforms when on duty.

Paragraph (d).

Arson investigators are not classified as firefighters according to Prop B.

Response 4 (for item #3c and #4b):

Prop B's implementation requires the resolution of legal, practical and technical issues. The City legal department, along with outside counsel, have applied relevant and appropriate legal guidance to inform the City's interpretation of Prop B and we are comfortable with our conclusions. In pending litigation, the City's pleadings state:

Local laws must be clear, definite, and free from ambiguity, so that their meaning may be ascertained. They must be sufficiently definite to give a person of ordinary intelligence fair notice that contemplated conduct is forbidden. An ordinance violates due process and is fatally vague when persons regulated by it are exposed to some risk or detriment without fair warning of the nature of the proscribed conduct, or if it invites arbitrary and discriminatory enforcement.

As one example of poor drafting and construction, Prop B would require the City to pay members of the Houston Fire Department for work that they do not do. Members do not engage in patrol activities as do police officers. Police officers are incentivized to work in the patrol division and accept the attendant risk. Prop B seems to suggest that it is possible to pay the same incentive pay to members, even though they do not work in the patrol division or take the same risks as do police officers and seeks to direct patrol incentive pay to some members. I understand that as early as last summer, you found this verbiage in Prop B to be nonsensical.

Prop B is also incomplete. For instance, Prop B fails to specify how implementation should be achieved. For example, Prop B does not address issues relating to payroll system configuration, system testing, validation of pay amounts. Moreover, and critically, Prop B did not specify a funding source.